

MHSA Implementation Progress Report May 16, 2008

The California Mental Health Directors Association (CMHDA)

Prepared By: Stephanie Welch, MSW, Associate Director MHSA

CMHDA represents the directors of public mental health authorities in counties (and some cities) throughout California. The primary goal of our Association, pursuant to a three-year strategic plan adopted last fall, is to *"advocate for equity and full inclusion of vulnerable populations, and secure social justice as measured by access to necessary quality services that promote mental health, wellness, resiliency and recovery in our communities."* As MHSA implementers, counties play a primary role and carry great responsibility in the transformation of local mental health systems. The following are key MHSA implementation issues within the context of counties in May 2008.

Impact of Current Budget Crisis – MHSA Implementation in the Context of Local Communities:

CMHDA expects the following adverse consequences to result from any of the proposed cuts to community mental health programs in the FY 2008-09 state budget:

- *Decrease in the number of participating county mental health contracted providers as a result of lower than usual reimbursement rates.*
- *Reduction in availability of less restrictive care settings due to providers ceasing participation in the Medi-Cal Specialty Mental Health program, or closing their doors entirely.*
- *Increase in placements in higher cost settings such as hospitals, jails and prisons.*
- *Violation of the state's maintenance of effort (MOE) provisions as set forth in the MHSA.*
- *Multi-million dollar loss of Medicaid Federal Financial Participation (FFP).*

CMHDA has spent considerable time in recent weeks responding to inquiries about the use of MHSA resources to address the current budget crisis and proposed budget cuts. As we hear from communities about their needs and priorities, we are hearing more and more that despite the influx of resources from the MHSA, erosion of core mental health funding (realignment, Medi-Cal) and proposed reductions in the FY 2008-09 state budget are forcing significant reductions in core services. Communities are speaking out about the impact of what appears to be a deepening of the two-tiered system.

- The community planning process (ongoing outreach and engagement of stakeholders) provides significant benefits, but also has increased the demand for core services.
- This increase in demand for services is in addition to those who receive only very limited services or have tried to get services from the existing system and been unable to get all of what they need.
- In addition to the underserved, the unserved communities are at long last coming forward to find that there are not enough services and supports available to address their needs.

CMHDA believes we must find a better way to transition our community services from the old eroding system to the new "transformed" system, to ensure that individuals and families are provided services and supports based on their needs, and not on which funding stream they are attached to (realignment, Medi-Cal, MHSA, etc.). We believe it is our obligation to achieve this in a way that promotes quality and cost-effectiveness while complying with the MHSA's prohibition against using funds to supplant existing county or state funds. County mental health systems have the responsibility to be prepared to address unmet and distressing mental health needs as the budget crisis continues.

CMHDA offers the following recommendations and principles to guide us in developing immediate solutions:

1. All unnecessary barriers to releasing and distributing cash resources from the MHSA fund to counties should be eliminated.
2. DMH should immediately make all cash resources available to counties to expand MHSA programs. Any additional obligated but undistributed cash receipts for infrastructure resources should be added to current county planning estimates.
3. Counties should be given the flexibility to use MHSA resources to address growing unmet needs as the system transforms to a community-based, community-driven, and culturally appropriate service system as envisioned by the MHSA.
4. DMH should streamline and simplify county processes for drawing down resources. In light of the enormous community need and the demands on counties, simple, clear, and brief methods should be

employed to access funds. Any non value-added arduous and/or duplicative reporting by counties should be eliminated.

CMHDA believes that by working together in the coming months, strategies can be implemented to better address growing unmet need while keeping counties accountable for effectively using MHSA resources.

Quick Facts on Other Key Implementation Issues:

Prevention and Early Intervention (PEI)

- ❖ 39 Counties have submitted and been approved for their Community Program Planning funds. Most counties are busy completing necessary fiscal reporting and contract requirements to receive cash payments.
- ❖ Counties are in the middle of the planning process (selecting strategies to address identified key needs and target populations) with expected summer and early fall plan submissions. Counties are eagerly waiting to find out how the PEI proposed statewide projects will be implemented so they can inform their stakeholders and plan accordingly. CMHDA remains committed to a strategy that is timely and reflects the goals identified by stakeholders.
- ❖ CMHDA is pleased by DMH's changes to the PEI resource guide that will ensure that there are no disincentives to selecting alternative programs to include in PEI plans.
- ❖ CiMH will be providing regional trainings for county staff and their stakeholders June – August to support plan submission and to assess additional technical assistance needs.

Workforce, Education, and Training (WET)

- ❖ 45 counties have submitted requests for early implementation dollars; all have been approved.
- ❖ 8 counties have submitted their three-year WET program and expenditure plans to state DMH. Those counties include: Mono, Monterey, Stanislaus, Kern, Plumas, Merced, Colusa, and Santa Cruz. Mono County and Monterey County have been approved. San Francisco and Orange County have posted their plans for the 30 day public review and comment period.
- ❖ Counties are awaiting two information notices from DMH regarding instructions for the use of an additional \$110 million in WET funds and regional partnerships.
- ❖ Consumer Employment Summit – CMHDA is co-sponsoring, along with the California Network of Mental Health Clients, Orange County, and San Diego County, a consumer employment summit entitled: Welcoming Recovery in the Workplace. The summit will take place September 4th – 5th in Orange County, and will focus on issues related to the employment of consumers within mental health systems, including identifying emerging practices, and learning how to move this transformative process forward.

Capital Facilities and Technology – Counties have been anticipating the release of these guidelines and currently are undergoing the process of applying for these much needed infrastructure funds.

Joint Powers Authority (JPA) - CMHDA has retained legal counsel and is currently developing documents for counties to present to their Boards of Supervisors, including a sample JPA governance structure. The intent is the efficient implementation of the MHSA by providing a vehicle for counties to act jointly. CMHDA is hopeful that a JPA could be established by fall 2008.

CSS Housing Program - Counties are in the process of getting approval from their Boards of Supervisors to assign back their MHSA Housing program funds to CalHFA. 14 counties have completed this process and others are in the 30 day posting process. Sixteen counties have 41 prospective pipeline projects, and completed applications have been submitted by Sacramento and San Francisco Counties.

Stakeholder Improvement Issues and Establishing the Social Justice Advisory Committee -

On June 23rd CMHDA will be hosting an input summit regarding the establishment of a new advisory committee to the CMHDA Governing Board that will provide recommendations on reducing disparities within the public mental health system. Identifying strategies to improve the local stakeholder process will also be within the scope of this committee.

CMHDA appreciates the opportunity to provide this implementation report and suggests that OAC staff and/or commissioners with additional questions on any MHSA issue visit our MHSA webpage at <http://www.cmhda.org/mhsa/mhsa.html> or contact, Stephanie Welch at swelch@cmhda.org or (916) 556-3477 x152.